

OSA-1509-66
#A-84-66

REPLY TO:
Audit Liaison Office
P. O. Box 8155
S. W. Station
Washington, D. C.

5 April 1966

SUBJECT: Report on Final Audit
General Dynamics Corp.
Fort Worth, Texas
CPFF Contract No. CS-1912
Task Order Nos. 15, 16, 17, and 18

TO : Contracting Officer

REF : 15 Feb 66 OSA-0803-66 Request

1. This is the final audit report for the four subject CPFF Task Orders for which the contract estimated costs plus fixed fee are shown on Exhibit A. Also shown is the total allowable cost, based on audit charges previously billed, and the cost and fee yet to be billed in their completion voucher.

Allowable costs were based on Part 2, Section XV, ASPR and other contractual provisions. Recommended burden rates were obtained from the resident DCAA auditor who agreed with the burden rates used by the Contractor in their total final cost figure.

2. At this time, there are no known unclaimed wages, unclaimed deposits, unrepresented checks or potential credits or refunds due as a result of costs incurred under the task orders.

3. The status of residual inventory and/or Government-owned property, if any, should be resolved for finalization of these task orders.

4. Upon resolution of the \$3,500 difference relating to Task Nos. 15 and 16, the resultant final amounts for all task will then permit the contractor's submission of required final task closing documents.

5. It is noted that the contractor has experienced underruns, some significant, on all the subject tasks. This same condition also occurred on all of tasks 1 to 14 wherein certain underruns approximated 40% of original total costs. The result, of course, is a considerably higher fixed fee (profit) rate than was originally contemplated in establishing the task order estimated costs and fixed fee. A closer analysis of the contractor's proposed estimated costs/fee would possibly preclude this occurrence.

SIGNED

ARTHUR G. HANLEY
Auditor General Representative (APL)

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Approved For Release 2002/06/11 : CIA-RDP67B00820R000200150004-4

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CONTRACTOR'S ASSIGNMENT OF REFUNDS, REBATES AND CREDITS

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Task Order Nos. 1 through No. 14
Under
Contract No. ☐ 33(657)-12673

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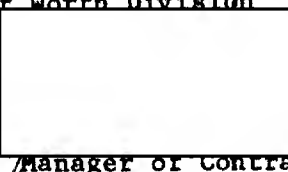
Pursuant to the terms of Contract No. ☐ 33(657)-12673 relating to the performance of Task Order Nos. 1 through No. 14 under said contract and in consideration of the reimbursement of costs and payment of fee, as provided in the said contract for the performance of the aforesaid Task Order Nos. 1 through No. 14 and any assignment thereunder, the Fort Worth Division of the GENERAL DYNAMICS CORPORATION, Fort Worth, Texas, (hereinafter called the Contractor) does hereby:

1. Assign, transfer, set over and release to the UNITED STATES OF AMERICA (hereinafter called the Government), all right, title and interest in all refunds, rebates, credits or other amounts (including any interest thereon) arising out of the performance of Task Order Nos. 1 through No. 14 under said contract, together with all the rights of action, accrued or which may hereafter accrue thereunder, provided the assignment, transfer, set over and release herein affected is limited to refunds, rebates, credits or other amounts now due or which may become due in regard to or in connection with the cost for which the Contractor is reimbursed.
2. Agree to take whatever action may be necessary to affect prompt collection of all refunds, rebates, credits or other amounts (including any interest thereon) due or which may become due, and to promptly forward to the Contracting Officer checks (make payable to the Treasurer of the United States) for any proceeds so collected in connection with the performance of Task Order Nos. 1 through No. 14 under said contract. The reasonable costs of any such action to affect collection shall constitute allowable costs when approved by the Contracting Officer as stated in the said contract for the performance of the aforesaid Task Order Nos. 1 through No. 14 and may be applied to reduce any amounts otherwise payable to the Government under the terms hereof.
3. Agree to cooperate fully with the Government as to any claims or suit in connection with refunds, rebates, credits or other amounts due in connection with the performance of Task Order Nos. 1 through No. 14 under said contract (including any interest thereon); to execute any protest, pleading, application, power of attorney or other papers in connection therewith; and to permit the Government to represent it at any hearing, trial or other proceeding arising out of such claims or suit.

IN WITNESS WHEREOF, this agreement has been executed this 22ND day of April 19 66.

GENERAL DYNAMICS CORPORATION
Fort Worth Division

(By



Manager of Contracts

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CERTIFICATE

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Task Order Nos. 1 through No. 14

Under

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Contract No. 33(657)-12673

I, , certify that I am an Assistant Secretary of the corporation named as Contractor in the foregoing assignment, that who signed said assignment on behalf of the Contractor was then Manager of Contracts of said corporation; that said assignment was duly signed for and in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

(CORPORATE SEAL)

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